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Companion Companies



HOME OFFICE - OMAHA NEBRASKA

October 19, 1956

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Mr. [Redacted]
Washington,
D. C.

Government Employees'
Health Association
Master Policy GMF 1514
Group Policy GLU 414

Dear Mr. [Redacted]

[Redacted] has asked me to review the new booklet for this group and report my findings to you.

The Federal Trade Commission and the National Insurance Commissioners' Advertising Code regulate the description of benefits in booklets, etc., very closely. They require that all exclusions, limitations or reductions in benefits be shown. Since we did not have an opportunity to review or proofread the copy used in this booklet, we are inclined to agree with you that we should be "off the hook".

There are several ambiguities and other points which we should clarify, however, since we don't want the booklet to be misleading. The more important points which we should clarify are:

1. The general policy exclusions should have been shown. On Page 8 mention is made of the occupational injury or sickness exclusion, but I am unable to find any reference to the exclusion pertaining to hospitalization, medical or surgical treatment provided by or paid for by the United States Government or any instrumentality thereof; or the loss caused by war exclusion.
2. On Page 10 there are several examples of benefits payable under the surgical provision. Three or four of these examples are misleading.
 - A. Under hemorrhoidectomy the benefit is shown as \$62.50. This is correct for removal of internal or internal and external hemorrhoids, but would not apply to removal of external hemorrhoids. The amount payable for removal of external hemorrhoids is \$31.25.

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- B. The amount provided for a compound skull fracture is correct if it involves a cutting operation into the cranial cavity. If no such procedure is involved, then the allowance would be \$46.88.
- C. The amount provided for fracture of the base of the spine is shown as \$62.50. We have interpreted this to mean fracture of the coccyx which has an allowance of \$18.75.
- D. The amount shown for bronchoscopy is \$62.50. This appears to be incorrect since the printed insert specifies an allowance of \$50.00.

Please inform the GEHA of these differences so that future problems will be adverted.

We will appreciate any information concerning the outcome of your discussion with GEHA.

Thank you for your cooperation.

Sincerely,

Group Department.

GLS:JVS

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